

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
RAJYA SABHA UNSTARRED QUESTION NO. 1847
TO BE ANSWERED ON 02.08.2022

Counterfeit currency

1847: SHRI K.C. VENUGOPAL:
SHRI SANJAY RAUT:
DR. AMEE YAJNIK:

Will the Minister of Finance be pleased to state:

(a) whether Government is aware that there has been a huge increase in counterfeit currency in the last few years;

(b) whether Government has any data regarding the amount of counterfeit currency in the market, if so, the details thereof;

(c) whether Government has any concrete plan to solve this problem; and

(d) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): The total number of counterfeit currency notes detected in the banking system has significantly decreased from FY 2016-17 to FY 2020-21. In 2021-22, the number has marginally increased from 2,08,625 pieces to 2,30,971 pieces.

National Crime Records Bureau (NCRB), Ministry of Home Affairs (MHA) is the nodal agency which compiles the data on crimes including the fake currency notes. The data from the published reports of NCRB are available till the year 2020. The data on total counterfeit currency seized in the country from 2016 till 2020 is placed below:

Year	2016	2017	2018	2019	2020
Total Volume (in pieces)	2,81,839	3,55,994	2,57,243	2,87,404	8,34,947
Total Value (in ₹)	15,92,50,181	28,10,19,294	17,95,36,992	25,39,09,130	92,17,80,480

(c) & (d): To contain the circulation of Fake Indian Currency Notes (FICN), Government of India had, inter alia, enacted the Unlawful Activities (Prevention) Act, 1967, formed National Investigation Agency (NIA) which is the nodal agency for investigation of high-quality FICN

in India, constituted an FICN Coordination Group (FCORD) to share intelligence/information among the security agencies of the States/Centre and constituted a Terror Funding and Fake Currency (TFFC) Cell in the NIA to conduct focused investigation of terror funding and fake currency cases.

Further, a Joint Task Force is functioning between India and Bangladesh for building trust and cooperation for exchange of information and analysis of smugglers of FICN. A Memorandum of Understanding (MoU) has been signed between Indian and Bangladesh to prevent and counter smuggling and circulation of fake currency notes.

Government also conducts capacity building programmes for various law enforcement agencies at Centre/State level. In addition, training programmes are conducted for the police officials of Nepal and Bangladesh to sensitise them about smuggling/counterfeiting of Indian currency.

Reserve Bank of India had issued banknotes in all denominations in Mahatma Gandhi Series – 2005, with a new exploding numbering pattern in 2015. With these visible security features the general public can easily distinguish a counterfeit note from a genuine one. Details of security features of these notes are displayed on the RBI website for the general public.

RBI issues various instructions to banks on measures to safeguard against forged notes. RBI regularly conducts training programmes on detection of counterfeit notes for employees/officers of banks and other organisations handling large amount of cash. RBI has issued a Master Circular on detection and reporting of counterfeit notes, updated as on April 01, 2022 which is available in the public domain for wider dissemination of systems and procedure to be followed on detection of counterfeit notes.